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**Via ECFS**

January 16, 2018

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

Re: *In the Matter of Connect America Fund*; WC Docket No. 10-90

Dear Ms. Dortch:

In August 2015, CenturyLink accepted Connect America Fund (CAF) Phase II support to deploy broadband service to over one million locations in thirty-three states. Using that support, CenturyLink has already enabled broadband service at speeds of at least 10/1 Mbps or higher to approximately 600,000 locations in CAF II census blocks in those states. CenturyLink's current year-end data reflects that it met or exceeded the program's December 31, 2017 interim broadband deployment milestone in thirty states.

At this point, however, that data also reflects that, while very close, CenturyLink may not have reached the deployment milestone in three states. Thus, in accord with 47 C.F.R. § 54.320(d), CenturyLink provides this notice that, based on preliminary year-end data, it may not have met the CAF Phase II 40% interim deployment milestone in Colorado, Kansas and South Dakota.<sup>1</sup> Still, our tracking also reflects that, in each of these states, CenturyLink has deployed to thirty-eight percent or more of the total CAF II locations in each state.<sup>2</sup> CenturyLink continues its

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<sup>1</sup> 47 C.F.R. § 54.320(d) states that "[e]ligible telecommunications carriers subject to defined build-out milestones must notify the Commission and USAC, and the relevant state, U.S. Territory, or Tribal government, if applicable, within 10 business days after the applicable deadline if they have failed to meet a build-out milestone." The Commission instituted this notice requirement when the date for reporting the CAF II year-end location deployment data was July 1. Now that the reporting date is by March 1, the usefulness of this notice after only a very short period for reviewing year-end results seems questionable.

<sup>2</sup> Because CenturyLink currently anticipates that any compliance gap for these three states will be less than five percent of the interim deployment milestone, the Commission's non-compliance measures should not be triggered. See 47 C.F.R. § 54.320(d) (reflecting that non-compliance measures are not triggered until a carrier has a compliance gap of at least five percent); see also *Connect America Fund, et al.*, WC Docket No. 10-90, et al., Report and Order, 29 FCC Rcd

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process to review, validate and confirm the data. By March 1, we will provide the vetted requisite information to the HUBB portal in accord with 47 C.F.R. § 54.316.

CenturyLink continues to deploy broadband to CAF II locations under the program and remains committed to meeting its CAF II obligations. In accord with section 54.320(d) CenturyLink is also providing this notice to the Universal Service Administrative Company and to state commissions and relevant Tribal Governments in the impacted states. Please contact the undersigned with any questions regarding this notice.

Sincerely,

/s/ Jeffrey S. Lanning

cc: Alex Minard, FCC, alexander.minard@fcc.gov

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15644, 15695 n.323 (2014) (stating that “a shortfall of less than 5% of locations for a given interim milestone should not be a concern warranting additional monitoring”).